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An Act To Protect Confidential Consumer Records in Self-service Storage Facilities

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 10 MRSA §1372, sub-§5-A is enacted to read:

5-A. Personal information. "Personal information" means information about a person that readily identifies that person or is closely associated with that person. "Personal information" includes, but is not limited to, social security numbers, credit or debit card information, bank account numbers or passport information.

Sec. 2. 10 MRSA §1372, sub-§6-A is enacted to read:

6-A. Reasonable belief. "Reasonable belief" is the actual knowledge or belief a prudent person would have without making an investigation that a leased space contains personal information relating to clients, customers or others with whom the occupant does business.

Sec. 3. 10 MRSA §1375, sub-§1, as enacted by PL 1989, c. 62, is amended to read:

1. Sale; use of proceeds.~~If~~Except as provided in subsection 1-A, if the occupant is in default for a period of more than 45 days, the operator may enforce a lien by selling the property stored in the leased space at a public or private sale for cash. Proceeds shall~~must~~then be applied to satisfy the lien, with any surplus disbursed as provided in subsection 5.

Sec. 4. 10 MRSA §1375, sub-§1-A is enacted to read:

1-A. Leased space containing personal information. When the operator has a reasonable belief that the leased space contains personal information relating to clients, customers or others with whom the occupant does business, the operator may not hold a lien sale of the personal information and may destroy the personal information without liability to any person.

Sec. 5. 10 MRSA §1375, sub-§1-B is enacted to read:

1-B. Operator may inspect contents of leased space. An operator may inspect the contents of a leased space to investigate the presence of personal information without liability to any person. Except when the occupant has stated in the rental agreement that the occupant will be storing paper or electronic data that contains personal information relating to clients, customers or others with whom the occupant does business, the operator has no obligation to inspect the contents of a leased space and has no liability for not undertaking such an inspection.

Sec. 6. 10 MRSA §1375, sub-§3, as enacted by PL 1989, c. 62, is amended to read:

3. Redemption of property. At any time before a sale under this section or before property is disposed of or destroyed under section 1373, subsection 3, paragraph C or under subsection 1-A, whichever occurs first, the occupant may pay the amount necessary to satisfy the lien and redeem the occupant's personal property.

Sec. 7. 10 MRSA §1375, sub-§7, as enacted by PL 1989, c. 62, is amended to read:

7. Purchasers. Except as provided in subsection 7-A, a purchaser in good faith of any personal property sold under this Act takes the property free and clear of any rights of:

- A. Persons against whom the lien was valid; and
- B. Other lienholders.

Sec. 8. 10 MRSA §1375, sub-§7-A is enacted to read:

7-A. Purchaser to sign contract. Before taking possession of any personal property sold under this Act, a purchaser must sign a contract provided by the operator that contains provisions including, but not limited to, an agreement by the purchaser to return to the operator any personal information relating to clients, customers or others with whom the occupant does business.

Sec. 9. 10 MRSA §1377 is enacted to read:

§ 1377. Rental agreement

A rental agreement must include the following inquiry:

"Will you be storing paper documents or electronic data that contain personal information relating to clients, customers or others with whom you do business? Personal information includes, but is not limited to, social security numbers, credit or debit card information, bank account numbers or passport information.

..... Yes No"

Sec. 10. 10 MRSA §1378 is enacted to read:

§ 1378. Effects of violations

It is a violation of the Maine Unfair Trade Practices Act if:

1. Occupant fails to take measures to protect personal information. An occupant fails to take appropriate measures to protect personal information of clients, customers or others with whom the occupant does business;

2. Occupant misrepresents absence of personal information. An occupant intentionally misrepresents the absence of personal information of clients, customers or others with whom the occupant does business in responding to the inquiry in the rental agreement under section 1377;

3. Purchaser fails to return personal information. A purchaser of any personal property under this Act intentionally fails to return to the operator any personal information of clients, customers or others with whom the occupant does business; and

4. Operator conducts lien sale of personal information. An operator has a reasonable belief that a leased space contains personal information relating to clients, customers or others with whom the occupant does business and nonetheless intentionally conducts a lien sale of personal information relating to clients, customers or others with whom the occupant does business.

SUMMARY

This bill protects the confidentiality of personal information relating to clients, customers or others with whom a tenant does business kept in self-service storage facilities if the tenant defaults on rental payments by requiring that the tenant notify the facility operator when the tenant intends to store such information, prohibiting the sale at auction of such information if the facility operator knows of its existence and requiring a purchaser of the contents of a unit to return any personal information.